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Via Electronic Filing

JOHN W. FLITTER
DIRECTOR
ELECTRIC & GAS REGULATION

March 25, 2008

Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Piedmont Natural Gas Company, Inc., GCRM-122
Docket No: 2006-401-G

Dear Mr. Terreni,

The Office of Regulatory Staff ("ORS") has received, and had the opportunity to review, the above referenced filings made by Piedmont Natural Gas Company, Inc. ("Piedmont" or "PNG"). On March 17, 2008 Piedmont requested a benchmark cost of gas of \$10.00 per dekatherm. Piedmont filed an amended GCRM-122 on March 24, 2008 and revised the requested benchmark cost of gas to \$9.50 per dekatherm.

ORS does not oppose Piedmont's requested change in its benchmark commodity cost of gas. Further, ORS agrees and consents to any necessary waivers of the Commission's Rules or Piedmont's tariffs to make this change effective on April 1, 2008.

Please contact me at your convenience should you have any questions regarding the ORS position in this matter.

Sincerely,



John W. Flitter

JWF/sh

cc: Scott M. Tyler, Esquire
James Jeffries, Esquire
David Carpenter